

**TOY DISTRICT/DOWNTOWN INDUSTRIAL DISTRICT
BUSINESS IMPROVEMENT DISTRICT
BOARD OF DIRECTORS MEETING
SEPTEMBER 23, 2008
MINUTES**

BOARD MEMBERS

Present: **Ernie Doizaki, Monica Garcia (for Richard Mereulo), Don Kanner, Matt Klein, Larry Rauch and Paul Vert.**

Absent: **Richard Gardner, Donald Kanner, Howard Klein, Matt Klein, Thomas Payne, Mark Shinbane, Michael Tansey and Charlie Woo.**

STAFF: **Herlinda Chico, Raquel King, Estela Lopez, Vicky McCormick and Jessica Whaley.**

CONSULTANTS: **Qathryn Brehm, Ken Coelho, Steve Gibson (Urban Place Consulting) and Don Steier.**

I. CALL TO ORDER

Vert called the meeting to order with a quorum at 12:12pm.

II. PUBLIC COMMENT PERIOD ON NON-AGENDA ITEMS

Lopez welcomed back Executive Assistant Herlinda Chico to CCEA.

III. APPROVAL OF MINUTES

Rauch made a motion to approve the August 18, 2008 minutes, and M. Klein seconded. The Board unanimously approved.

IV. FINANCE

Coelho reported that in August, the Toy district was slightly under budget in maintenance and security due to timing differences with the Contractor invoices. At the end of August the Toy District had \$190,000 cash, approximately \$180,000 -

\$200,000 is budgeted through year-end and we anticipate receiving another \$13,000 in Assessment Revenue by year end. Coelho informed the Board that the Toy District received more assessment revenue than initially budgeted.

Coelho reported that in August DID was under budget by \$18,000 due to the timing difference of the maintenance and security contract invoices. Coelho informed the Board that \$110,000 is budgeted per month; there's currently \$510,000 in the bank. Coelho stated that he had previously projected a cash surplus of \$130,000 at year-end; however, the amount will be closer to \$80,000- \$100,000.

Vert inquired about renewal expenses and how they are paid. Coelho informed the Board that renewal expenses including Urban Place Consulting, is paid through DID and Toy. The private account is used only if needed. The renewal funds paid out will be reimbursed after the BID renews.

Coelho reported that he projected a \$30,000 assessment delinquency for DID. DID needs to receive an additional \$150,000 by year-end to hit the \$30,000 mark.

Coelho added that after adjustments Toy will end with actual expenses being very close to the projections.

Lopez informed the Board that the BID is working on the 2009 budgets for Toy and DID. The BID is considering inflation costs such as fuel when creating the budget. Lopez stated that the BID wants to meet with the operations committee to review the draft budget, and hopefully obtain final approval of the budget at the October Board meeting. Lopez informed the Board that she would send an email to schedule a date and time for the operations committee meeting.

V. RENEWAL

Gibson reported that there have been no changes in the budget; building sq. ft will be assessed at 10% and Lot at 90%. Gibson

stated that all necessary decisions have been made by the Board; the next step will be finalizing the Management District Plan (MDP) which explains the terms of the BID. Once the MDP is complete, it will be sent to the engineer in Sacramento to check compilations and provide correct verbiage. After the engineer completes her report, which is mandated by Proposition 218, the MDP will be sent to the City Clerk's office.

Gibson informed the Board that the MDP usually stays with the City Clerk's office for up to two months before being sent to the City Attorney's office. The petition drive can begin once the City Attorney receives the MDP.

Garcia informed the Board that she met with Lopez and Gibson to confirm the ownership of the buildings owned by Meruelo Maddux, and would be briefing Richard Meruelo on the assessment formula for 2010-2020. Garcia stated that Meruelo has expressed support of CCEA and its efforts in managing the BIDs.

Vert asked if the engineer would have opinions on the non-profit assessment rate. Gibson informed the Board that the engineer will assist with the rationale behind the assessment rate.

Gibson distributed a document of the top thirty property owners (by assessments) in the district.

VI. OPERATIONS

Maintenance:

McCormick reported that the amount of trash bags collected in the Toy District in 2008 is well below the 2007 number. 100% of the graffiti has been removed in 2008 and numerous illegal dumpers have been identified by BID public safety and maintenance staff.

McCormick reported that in DID instances of graffiti is higher in 2008 versus 2007. In 2007 80% of the graffiti was removed.

McCormick informed the Board that an individual was caught dumping a mattress in DID. When the BID's public safety officer approached the individual, the excuse was that she was leaving the mattress for the homeless.

Security:

McCormick reported that illegal vending decreased in Toy in August and September thanks to the efforts of Senior Lead Officer Earl Wright. The BID would confiscate an average of 200 hundred DVD's; the average is now 25.

McCormick reported that in Toy crime has decreased; however, loitering and trespassing increased in September. McCormick stated that the LAPD foot beats also contributed the progress in the Toy District.

McCormick reported that in September the BID's public safety officers had more contact with merchants in DID, as well as the community and visitors. McCormick informed the Board that blocking the sidewalk increased in September, especially on San Pedro between 5th & 7th Streets. McCormick stated that there were more than twenty five tents on San Pedro Street in the mornings.

McCormick reported that there are groups feeding the homeless daily on Stanford Street and at 5th & Towne. The groups place the trash in trash bags and pile the bags on the sidewalk for the BID to pick up.

VII. MARKETING

Brehm informed the Board that the launch date for the new DASH route took place on September 4, 2008 at 10am at 3rd & Central Streets. Buses will run every 20 minutes Monday thru Friday 6:30am to 6:30pm. Brehm provided a destination map for the Board. Brehm also mentioned that the new route is on a 6-month trial basis, so there are high hopes for ridership in order to make the route permanent.

Brehm informed the Board that the CCEA quarterly newsletter is available on the CCEA website.

VIII. NEW BUSINESS- None

IX. ADJOURNMENT- The meeting of the Board was adjourned at 1:05pm.